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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

UNITED STATES GOVERNMENT

MEMORANDUM

Date : June 16, 1993

Reply to

Attn of : John R. Winston
Director, OSBA

Subject : SBAC Public Hearing Record

To : Donna Searcy
Secretary

The enclosed documents were received by the Small Business Advisory Committee (SBAC) during its meeting May 27, 1993. The documents were received from the Small Business Administration (SBA) during its meeting May 27, 1993. The documents were received from the Small Business Administration (SBA) during its meeting May 27, 1993.

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American women in radio and television inc.

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**Presentation to Small Business Advisory Committee
by American Women in Radio and Television, Inc.**

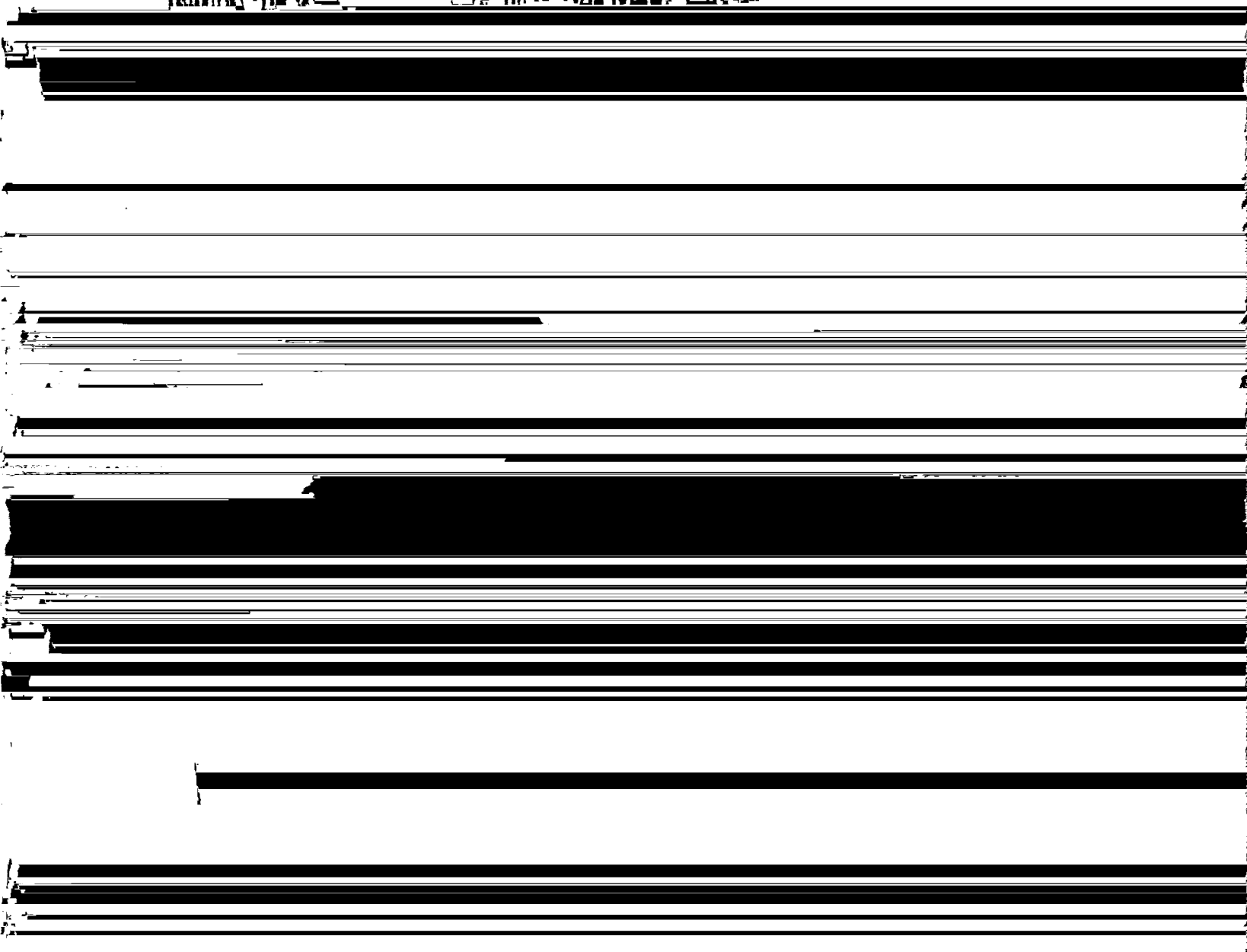
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FEDERAL COMMUNICATIONS COMMISSION

announced that it would grant tax certificates to the assignor or transferor of a broadcast facility where the assignment or transfer would advance its policy of

stations in the country.⁵ Although we have a small problem comparing the 1982 study with the 1988 Congressional Research Service study because control is defined in one as owning 50% or more and in the other as owning 51% or more, the comparison is still useful. Women controlled 7.9% of stations in 1982 and only 7.1% in 1988 -- if not a decline, then certainly a stagnation, in the number of women-owned broadcast stations.

As women represent 46% of the civilian labor force in the United States according to the 1990 U.S. Census, women are severely underrepresented as owners of broadcast stations and telecommunications companies. While the 1987 Business Census showed that 30% of U.S. businesses, excluding regular corporation, are owned by women,⁶ in the industry subgroup containing transportation, communications and public utilities, women owned only 1.9% of the firms.⁷ Consequently, the communications industry is seriously lagging behind the rest of the industry in this country in terms of female ownership.



The work of this Committee is aimed at this problem in the communications industry. In addition to the proposed expansion of the minority tax certificate policy to include women, AWRT exhorts this committee to bring all possible pressure on the Small Business Administration to repeal its policy of not lending to media companies. From the anecdotes I've heard from members of AWRT and other small business broadcast companies, SBA does not fund media companies because they have the power to influence the public. That policy has been a major obstacle to small businesses and woman-owned businesses seeking to obtain financing. In my mind, it is hard to justify such a policy when the Supreme Court found an analogous law unconstitutional. The case was FCC v. League of Women Voters of California⁸ decided in 1984. The Supreme Court held that the portion of Section 399 of the Communications Act that prohibited noncommercial stations that received funds from the Corporation for Public Broadcasting from engaging in political editorializing violated the First Amendment. That type of content-based restriction goes to the very heart of the First Amendment. SBA engages in the same tactics.

Further, AWRT opposes any type of spectrum auction. If Congress allows the use competitive bidding to select applicants for new technologies,